



# **DFARS Transformation**

## **Procedures, Guidance, and Information (PGI) and Beyond**

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# Agenda

- DFARS Transformation Background
- PGI - Implementation
- Transformation - What's Next



# ***DFARS Transformation DoD Direction***

- Conduct a comprehensive review and transformation of the FAR and DFARS
  - **Reduce DFARS by 40%**
- Include operational proceedings used to revise and implement the DFARS

## **Fits within OSD Goals and Priorities**

✓ **Improve credibility and effectiveness of acquisition and logistics support process**

✓ **Enhance higher priority activities and improve responsiveness and efficiency**

✓ **Shorten DoD Processes by 50%**



# ***DFARS Transformation Summary***

- Comprehensive review of the regulation
  - Add value to achieving the mission
  - Over 700 recommendation for Changes - 90 DFARS Cases
- Transform DFARS rule making process
  - Better process = Improve responsiveness, effectiveness, transparency and simplicity
  - PGI as a value-based product (what, why and training on how)
- Exploit technology
  - Build an responsive acquisition rule making system
  - Create a forum for idea generation, publishing, collaboration, feedback, data, research, retrieval
  - Bring the PCO and the public to the rule-making table - early



# ***DFARS Transformation PGI***

## **Increment 1**

- Finalize Rules to move current PGI coverage out of the DFARS.
- Provide pop-up links from the DFARS to PGI.



# ***DFARS Transformation***

## ***PGI***

### **Increment 2**

**Incorporate enabling technology to provide seamless access to the FAR, applicable statutes, & PGI.**

**PGI managed through the DAR Council Process.**

**Rewrite of the PGI language.**



# DFARS Transformation PGI

**The “To-Be”  
Information  
Structure**

**Statutes  
OMB Circulars**

**FAR**

**DFARS**

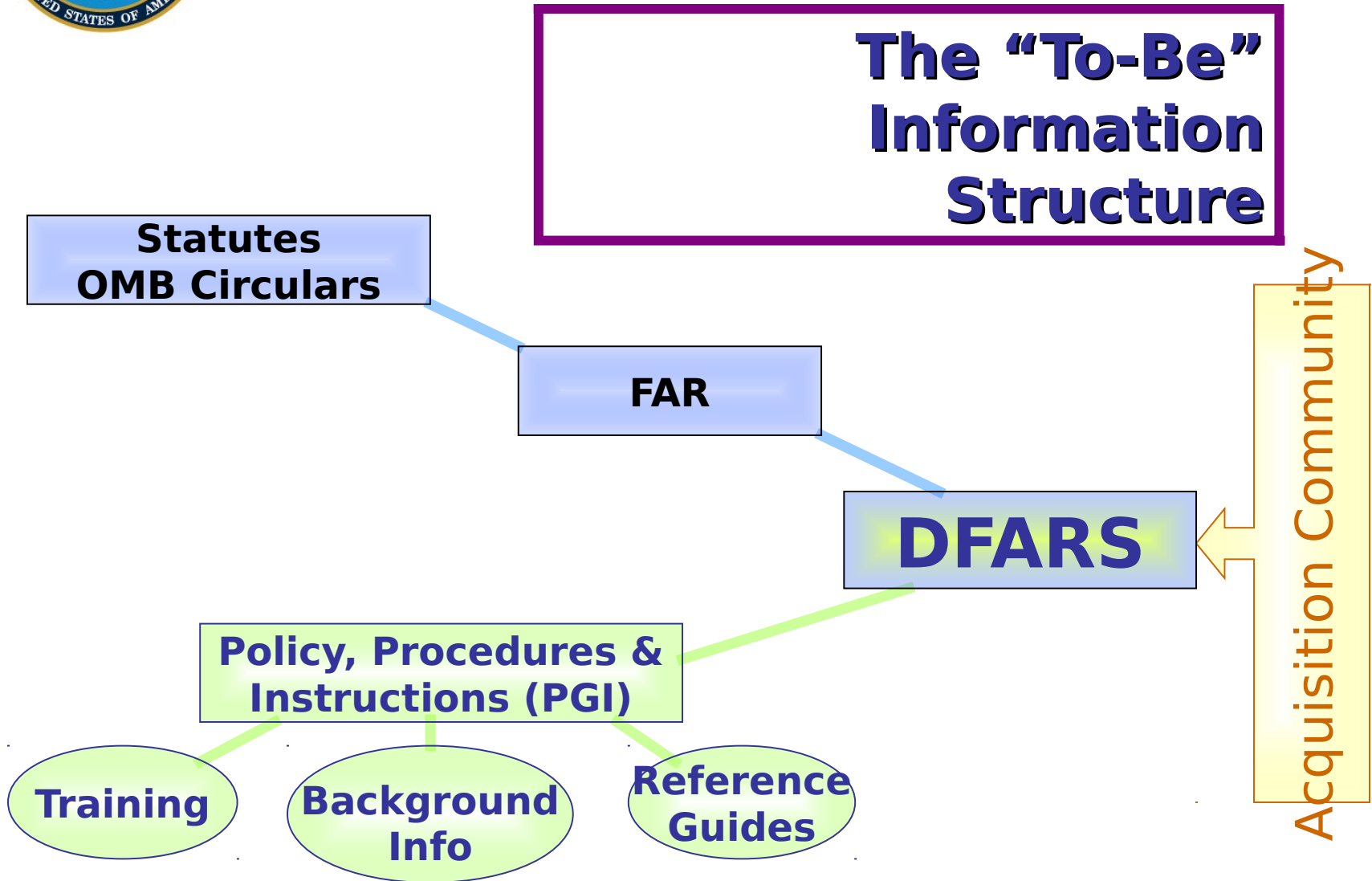
**Policy, Procedures &  
Instructions (PGI)**

**Training**

**Background  
Info**

**Reference  
Guides**

**Acquisition Community**





# ***DFARS Transformation Goals for PGI Rewrite***

Develop DFARS PGI into a useful Knowledge Management tool for the acquisition community.

- create the text coverage to better explain policies and internal procedures
- provide the training, policies and the supplement and/or background information.





# ***DFARS Transformation PGI Increment 2 Tasking***

- Rewrite the Current PGI Baseline text.
- Create Coverage for Parts without PGI Baseline text.
- Add training, policies and supplemental material links in PGI.



# ***DFARS Transformation PGI Increment 2***

Whenever possible, each PGI part or topic will address the following:

1. Identify target audience for the coverage
2. Describe the policy, procedure or guidance
3. Explain why this policy, procedure or guidance exists
4. Specify how to execute the policy, procedure or guidance
5. Links – Training, Policies, Supplemental



# SAMPLE

## PGI Subpart 225.74

### PGI SUBPART 225.74—DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES

Contracting officers who award contracts that may require performance of work in a foreign country by employees of a U.S. contractor or a third country contractor.

#### General.

If the acquisition requires performance of work in a foreign country by U.S. personnel or a third country contractor—

- (1) Coordinate with the CAO before contract award;
- (2) Request the following information from the CAO:
  - (i) The applicability of any international agreements to the acquisition.
  - (ii) Security requirements applicable to the area.
  - (iii) The standards of conduct for the prospective contractor and its employees and any consequences for violation of the standards of conduct.
  - (iv) Requirements for use of foreign currencies, including applicability of U.S. holdings of excess foreign currencies.
  - (v) Availability of logistical support for contractor employees.
  - (vi) Information on taxes and duties from which the Government may be exempt.
- (3) Furnish the following information to the CAO:
  - (i) A synopsis of the work to be performed and, if practical, a copy of the solicitation.
  - (ii) Any contractor logistical support desired in support of U.S. or foreign military sale requirements.
  - (iii) Contract performance period and estimated contract value.
  - (iv) Number and nationality of contractor employees and date of planned arrival of contractor personnel.
  - (v) Contract security requirements.
  - (vi) Other pertinent information to effect complete coordination and cooperation.
- (4) Consider requesting waiver of the Defense Base Act if the contractor will employ foreign workers (see FAR 28.305).

Who does this PGI affect?

How is it implemented?

Why is it important?

How is it implemented?



# SAMPLE

## PGI Subpart 208.4

Competition Requirements for Federal Supply Schedules and Multiple Award Contracts  
DFARS Case 2004-D009  
Procedures, Guidance, and Information  
PGI 208—REQUIRED SOURCES OF SUPPLY  
PGI 208.4--FEDERAL SUPPLY SCHEDULES

PGI 208.406 Ordering activity responsibilities.  
PGI 208.406-1 Order placement.  
(1) When ordering from schedules, **ordering offices**—  
(i) **May use DD Form 1155, Order for Supplies or Services, to place orders for—**  
(A) Commercial items at or below the simplified acquisition threshold; and  
(B) Other than commercial items at any dollar value (see 213.307);  
(ii) Shall use SF 1449, Solicitation/Contract/Order for Commercial Items, to place orders for commercial items exceeding the simplified acquisition threshold (see FAR 12.204); and  
(iii) May use SF 1449 to place orders for other than commercial items at any dollar value.

Why is it important?

How is it implemented?

Who does this PGI affect?

How is it implemented?



# SAMPLE

## PGI Subpart 208.4

Why is it important?

- (2) **Schedule orders may be placed orally if—**
- (i) The contractor agrees to furnish a delivery ticket for each shipment under the order (in the number of copies required by the ordering office). The ticket must include the—
    - (A) Contract number;
    - (B) Order number under the contract;
    - (C) Date of order;
    - (D) Name and title of person placing the order;
    - (E) Itemized listing of supplies or services furnished; and
    - (F) Date of delivery or shipment; and
  - (ii) Invoicing procedures are agreed upon. **Optional methods of submitting invoices for payment are permitted**, such as—
    - (A) An individual invoice with a receipted copy of the delivery ticket;
    - (B) A summarized monthly invoice covering all oral orders made during the month, with receipted copies of the delivery tickets (this option is preferred if there are many oral orders); or
    - (C) A contracting officer statement that the Government has received the supplies.
- (3) **For purchases where cash payment is an advantage**, the use of imprest funds in accordance with 213.305 is authorized when —
- (i) The order does not exceed the threshold at FAR 13.305-3(a); and
  - (ii) The contractor agrees to the procedure.
- (4) **If permitted under the schedule contract, use of the Governmentwide commercial purchase card--**
- (i) Is mandatory for placement of orders valued at or below the micro-purchase threshold; and
  - (ii) Is optional for placement of orders valued above the micro-purchase threshold.

Why is it important?

Why is this here?

Why is it important?



## ***DFARS Transformation PGI Time Line***

- Committees provide an initial assessment with Plan of Action (March – June 05).
- PGI Cases in process (March – August 05).
- Target Publication of PGI Baseline Edition – Oct 1, 2005.



# ***DFARS Transformation PGI - Take Away Points***

- Transform the DoD Regulatory Process to be more responsive to the needs of the Acquisition Community.
- PGI – “One Stop” for the PCO to get information to do his job.
- Information will be authoritative, concise, directly pertinent to the topic. (PGI is not intended as a library or data repository)



- **A Guided tour of the PGI web site**





# ***DFARS Transformation***

What's Next?



# *Frontline Leadership Acquisition Advisory Group*

## **Goals:**

1. Provide journeymen level acquisition professionals with direct connection to the acquisition rule making.
2. Provide insight into how issues impact those people doing the job on a day-to-day basis; new source for ideas, approaches to resolve issues, etc.

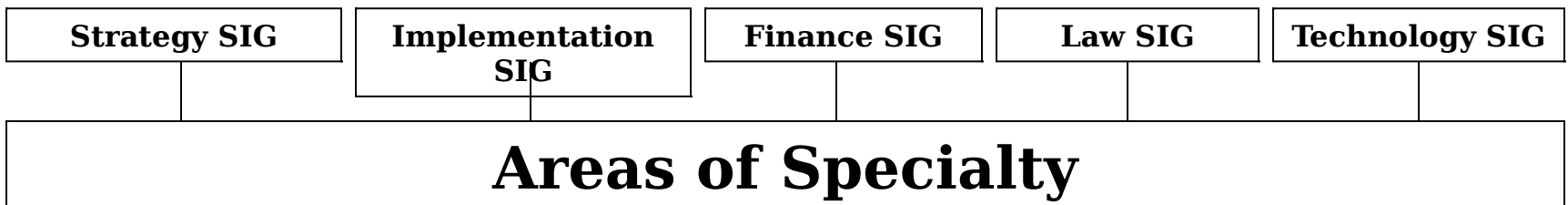


# *Frontline Leadership Acquisition Advisory Group*

## **Action Plan:**

Working level volunteers by Special Interest Group (SIG) to occasionally provide information and/or feedback as requested by the DAR Council, staff or the Committees. Participants must meet minimum criteria (years of experience, level of education, etc.) and have approval of their supervisor.

### 5 Special Interest Groups





## Defense Acquisition Regulations Directorate

\* = Please enter all of the information below

### Frontline Leadership Acquisition Advisory Group

First Name:	<input type="text"/>
Last Name:	<input type="text"/>
Agency:	<input type="text"/>
Special Interest Group:	<Select Special Interest Group> ▼
Area of Specialty:	<Select Area of Specialty> ▼
Email:	<input type="text"/>
Phone:	<input type="text"/>
Years of Acquisition Experience:	<input type="text"/>
<input checked="" type="checkbox"/> <a href="#">Submit</a>	

<http://emissary.acq.osd.mil/dar/dfars.nsf/FrontlineForm?open>